

Maresh Hada. Free Lance Consultant

PRACTICAL ACTION
Consulting



CATHOLIC RELIEF SERVICES

CGI , shelter material and Labor Construction sector market mapping and analysis (Gorkha)



faith. action. results.



Legend

- VDCs
- Gorkha District

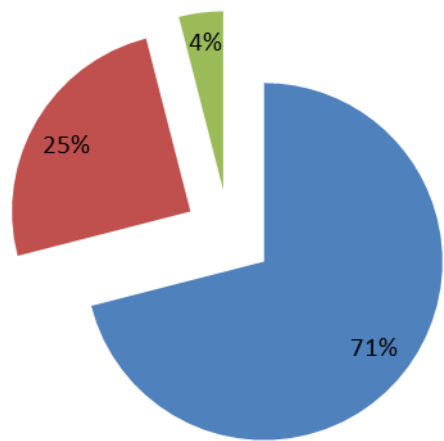
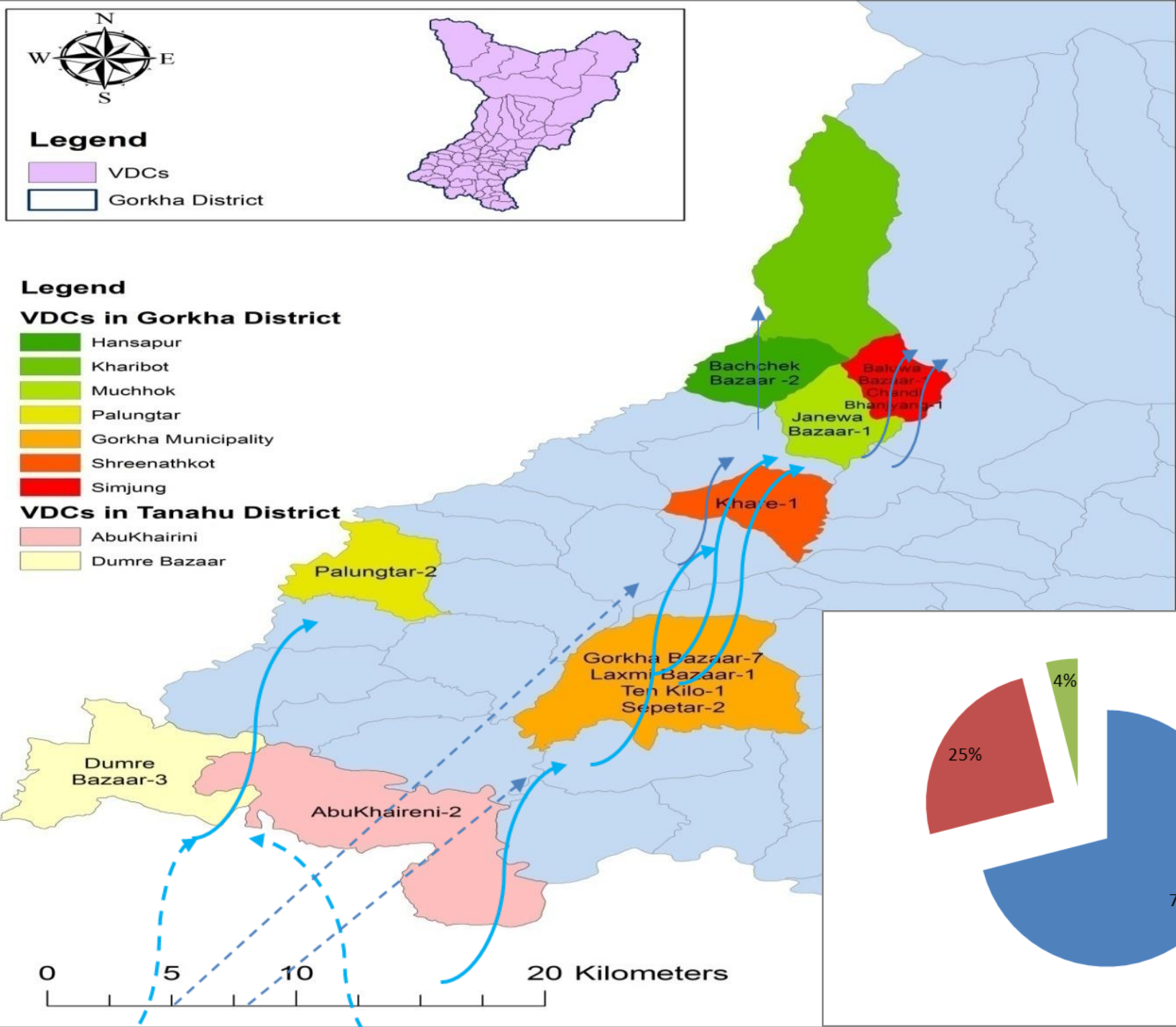
Legend

VDCs in Gorkha District

- Hansapur
- Kharibot
- Muchhok
- Palungtar
- Gorkha Municipality
- Shreenathkot
- Simjung

VDCs in Tanahu District

- AbuKhairini
- Dumre Bazaar

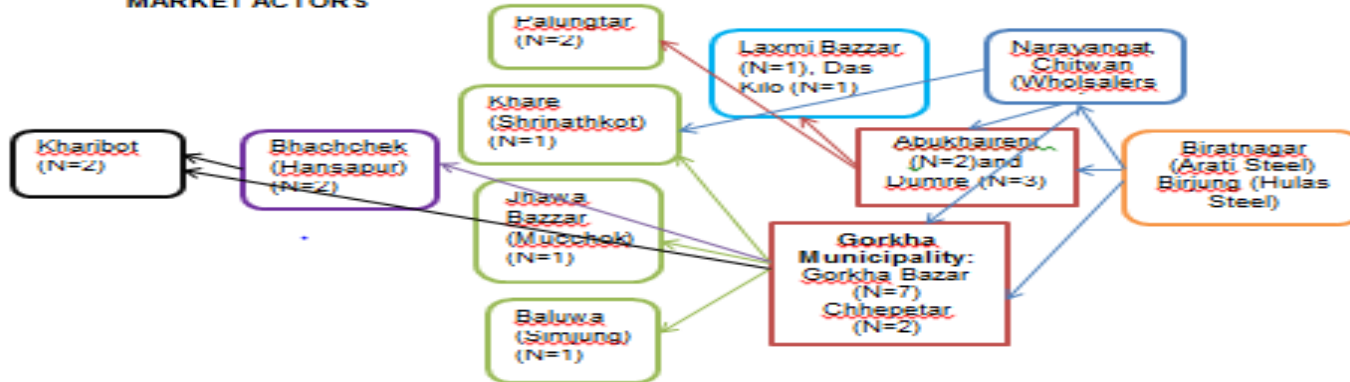


- Direct consumer
- Retailers
- Wholesalers

ENABLING BUSINESS ENVIRONMENT



MARKET ACTORS



INPUT SERVICE PROVIDERS



Manufacturer capacity national level : 800,000/40 days

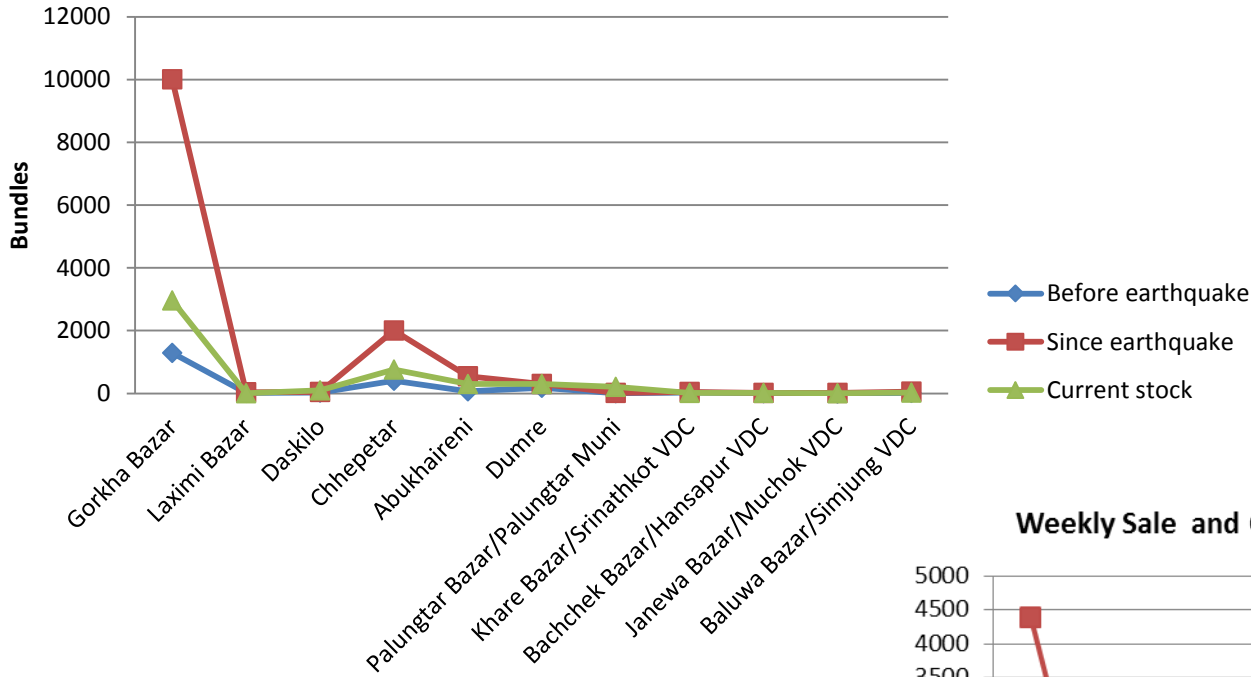
GKA market capacity to cover 33.3% of needs (60,000 houses)
 + Org. under radar
 +CGI recycling
 +CGI distributed

Market segmented

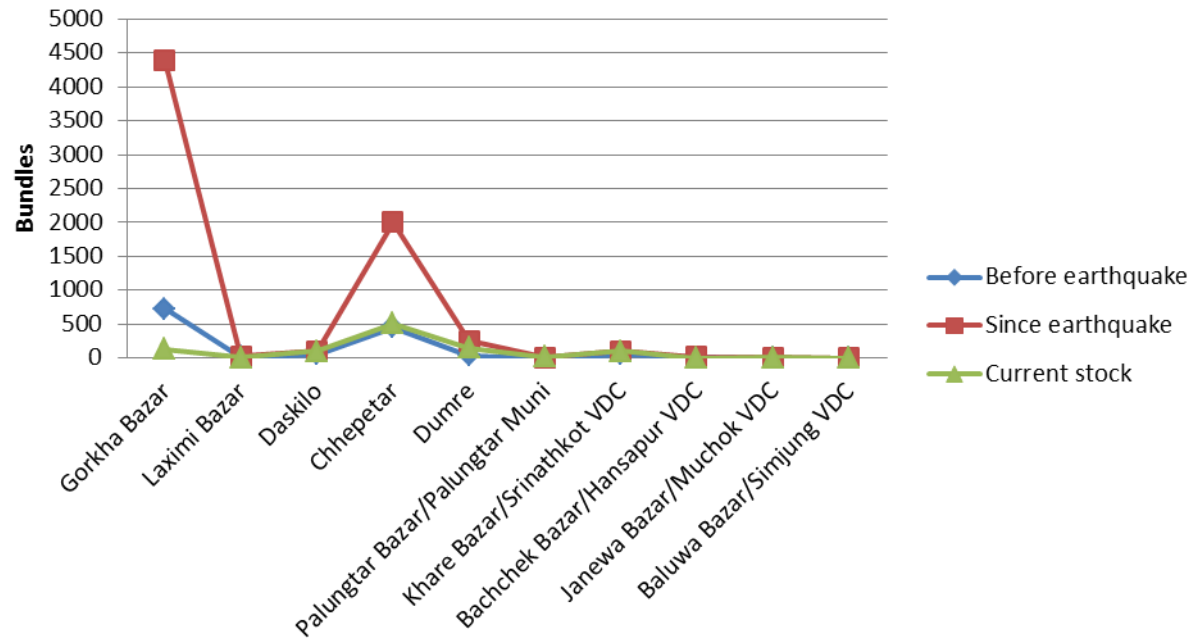
- Access and transportation (+ 25%)
- 60% to 80% market in remote area are partially functioning
- Capacity of absorption of these local market (+ 500%)
- Purchasing power of beneficiaries and financial service access
- Demand is so high that CGI sheets are sold very quickly when they reach markets hub (Sales +10,000 bundles/week compare to 2500 bundles/week and current stock available of 3000 bundles in GKA major mkt hub) =>250%

Wholesaler & Retailers

Weekly Sale and Current Stocks of CGI Sheets (26 light non-colored)



Weekly Sale and Current Stock of CGI Sheets (28 light non-colored)

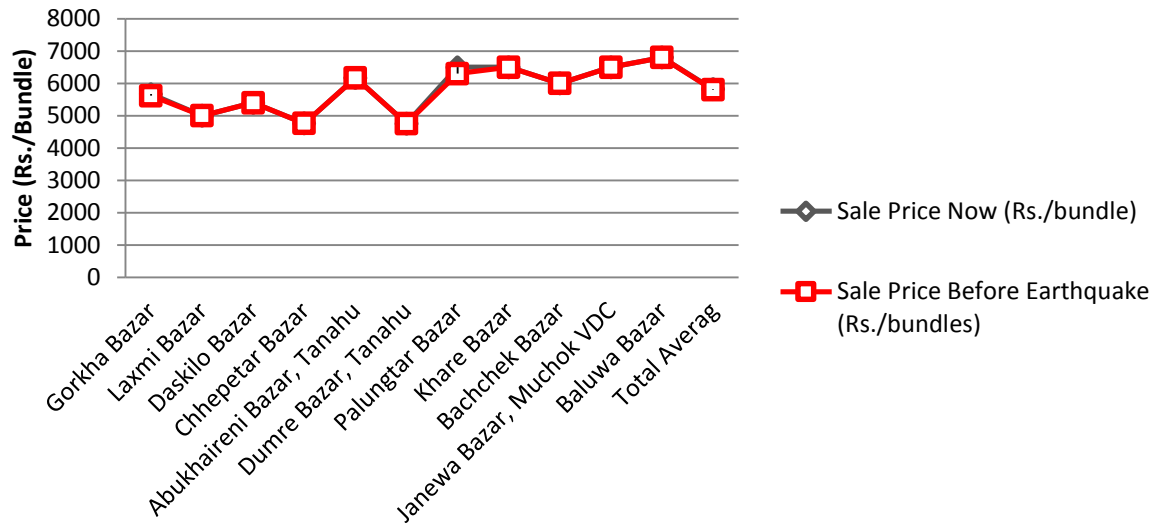


Timber widely available, but shortage of bamboo

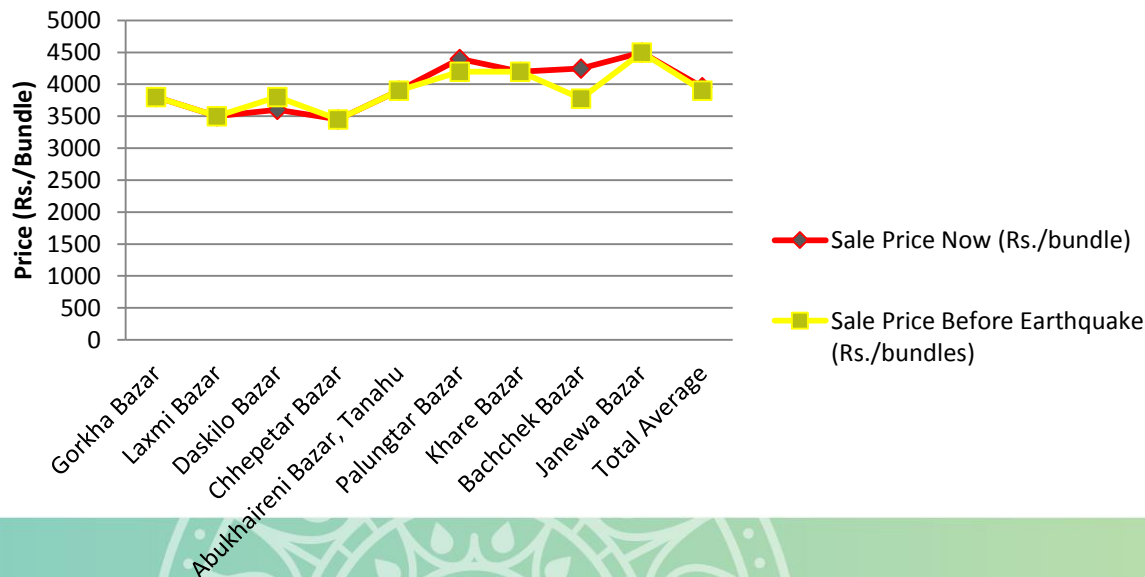
Wholesaler & Retailers

Price => elasticity is low but no major changes in price: manufacturers publicly advertised recommended selling price

Average Price of CGI Sheet (26 light non-colored)



Average Price of CGI Sheet (28 light non-colored)



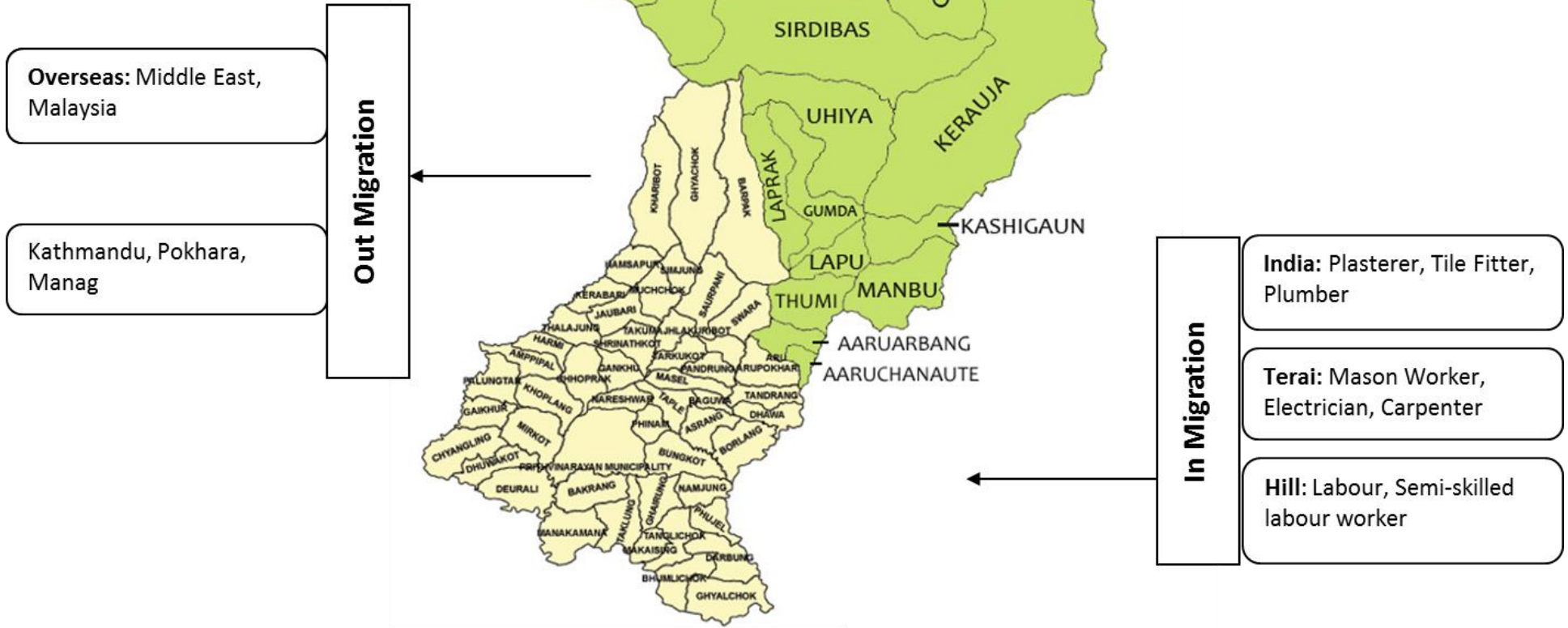
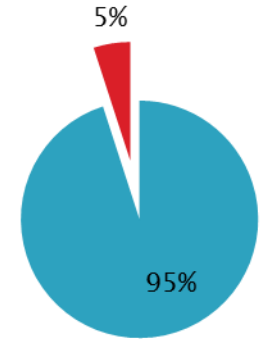
CGI Manufacture	Thick	Factory Price (NRP/bundle)	MRP[1] (NRP/bundle)
	(in mm)		
Arati Strips	0.28	4991	5241
	0.3	5350	5618
	0.37	6330	6647
	0.4	6720	7056
	0.42	7002	7352
Hulas Steel	0.28		5500
(MRP for Gorkha only)	0.31		6020
	0.35		6680
	0.38		6980
	0.41		7660
	0.45		8300

Labor

400-1200 Nps/day
 5% female (protection issues)
 157 contractors (up to 8/mkt hub)
 Seasonal migration & megaproject
 Self-helped group

Work force structure

■ unskilled ■ skilled



Recommendations: how to cover 50% of remaining needs?

- Coordinate market based response to avoid major disturbance (some organization are ordering up to 200,000 directly from producers)
- Coordinate with government to provide resources necessary for production (power) and incentive for labor
- Restore market capacity even if local market have limited capacity and support directly vendors (credit facility)
- Support indirectly market (transport grant)
- Support directly beneficiaries (15,000 rps)
- Coordinate distribution especially in area not reach or poorly reach by markets + Log hub
- In critical area support construction of collective shelter (some village started collective shelter that can host up to 25-50 hh)
- Build in “ build back better” activities in response
- Create incentive for labor and build back better



Intervention	House Owner	Contractors' Association	Government Agencies	Workers	Training Providers	NSTB/CTEVT
Training	Train earthquake victim on mason work (1 month)	Orientation on earthquake resistance technology to contractors and 'Naika'	Support DDC/VDC to disseminate information on earthquake resistance technology	Train existing mason workers on earthquake resistance technology (3 months)	Revision of training curricula Train Master Trainers	
Enabling Supply Chain	Provide voucher to house owner for reconstruction.	Support contractors' association to import/export labour force; Promote decent work	Support DDC's technical staff on quality assurance.	Provide incentives (insurance, safety measures etc) to workers through Contractors' Association	Incentive for providing training at local level for earthquake victims and workers	Support NSTB for certification and train assessor for local level



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